

VZCZCXRO2926
OO RUEHCHI RUEHDT RUEHHM
DE RUEHBK #2048/01 0951153
ZNY CCCCC ZZH
O 051153Z APR 06
FM AMEMBASSY BANGKOK
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7700
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS
RHEFDIA/DIA WASHDC
RHHMUNA/HQ USPACOM HONOLULU HI
RHHMUNA/CDR USPACOM HONOLULU HI
RHFJSCC/COMMARFORPAC

C O N F I D E N T I A L SECTION 01 OF 02 BANGKOK 002048

SIPDIS

SIPDIS

E.O. 12958: DECL: 04/04/2016

TAGS: [PGOV](#) [PHUM](#) [TH](#)

SUBJECT: THAKSIN TAKES A BREAK. WHAT NEXT?

Classified By: Ambassador Ralph L. Boyce reason 1.4 (b) (d)

11. (C) SUMMARY: Thaksin announced on April 4 that he would not seek another term as Prime Minister. He will remain as an MP, and as head of his Thai Rak Thai (TRT) party. Although we had heard for weeks that this was one possible outcome, it appears that Thaksin was keeping his options open until the last minute, and his decision surprised many after his feisty TV appearance Monday night. Because he made his announcement soon after an audience with the King, speculation abounds that the King "whispered in his ear," i.e., gave him the word to step aside. We are not inclined to believe this. The opposition protesters also agreed to "take a break" after their "victory rally" on April 7, but threatened to come back if Thaksin isn't really gone by the end of the month. Thaksin sprang another surprise on Wednesday, when he announced that he was taking some leave, and left his DPM to look after the shop. Although Thaksin's decision defused much of the dangerous tension in the country and, as such, was welcomed by a wide spectrum of Thais, there are many, many loose ends to be tied up. It is not clear how the new parliament will be seated or how the new administration will govern. END SUMMARY.

12. (C) Prime Minister Thaksin Shinawatra told the country Tuesday evening that he would not seek another term as Prime Minister. He said that he would remain as caretaker until the new Parliament is seated and a new Prime Minister is named, after which he would continue as an MP and as leader of his Thai Rak Thai (TRT) party. He apologized to the voters who had supported him in the election on Sunday, but said that he would step aside in order to promote national reconciliation. He highlighted the importance of the upcoming celebrations for the King's 60th year on the throne, an extremely auspicious anniversary, to which many crowned heads of states and other foreign dignitaries have been invited).

DID HE JUMP OR WAS HE PUSHED?

13. (C) Word had been circulating for weeks that Thaksin might be considering "taking a break" after the elections. However, it was clear that hard-liners within TRT were pushing him to fight on, as recently as yesterday prior to his announcement. Sunday's election results, while disappointing for TRT, were hardly catastrophic, as TRT appeared certain to take more than 50 percent of the vote. The opposition boycott contributed to a number of constitutional problems, but Election Committee officials seem to have devised a gameplan to resolve most of them (septel). Our assessment is that Thaksin was weighing his options up until the last minute. From our contacts within TRT, it appears that they also did not have much advance notice of Thaksin's decision.

14. (C) Much has been made already of Thaksin's audience with the King on Tuesday afternoon, shortly before he announced his decision on national television. The domestic and international news media have reported -- and many Thais seem to want to believe -- that the King gave Thaksin "the whisper in his ear" to tell him to take a break. They point to the incongruity between Thaksin's "resignation speech" and his defiant, tough talk on television the previous evening, when he claimed victory, and said that he could not change his position 180 degrees unless he was forced to by a higher authority. More likely, Thaksin was following through on his contingency plan, in case the election was not an overwhelming victory, "to take a break" until the heat dies down.

OPPOSITION STILL WARY

15. (C) After their initial skeptical reaction to the PM's speech Monday night, elements of the opposition began to shift their stance (perhaps in response to further contacts from within TRT) By late Tuesday, the PAD was prepared to say that they would stop their demonstrations if Thaksin would step down. The opposition parties agreed to participate in the next full election (whenever that will be). PAD leader Sondhi Limthongkul told the press that PAD would go ahead with their planned demonstration on April 7 (and make it a victory celebration), but would focus on educating the public about the just concluded elections, including questions of fraud. PAD leaders have said that they will cease demonstrating, but with a caveat: if Thaksin was still caretaker Prime Minister by the end of the month, they would return in force. Sondhi also threatened that the crowds would return if it became clear that Thaksin was

BANGKOK 00002048 002 OF 002

acting as the power behind the throne in the new Parliament, despite his official demotion.

THINK I'LL GO EAT WORMS

16. (C) Thaksin indicated his intention to stay on as caretaker PM until the new government is formed. However, after the Cabinet meeting on Wednesday, April 5, he again surprised everyone by announcing that he was taking leave and would place DPM Chidchai Vanasatidya in charge during the interim. Chidchai was not officially appointed as acting PM, he is just empowered to act on Thaksin's behalf during his absence.

COMMENT - NOW WHAT?

17. (C) Like the King's beloved jazz, Thai politics now rely heavily on improvisation. The main focus in the immediate term is how the Election Commission will treat the outstanding constitutional issues that are impeding the formation of a new Parliament (septel). The Parliament needs to be seated by May, and a new PM named shortly thereafter. Several possibilities for new PM have surfaced from within TRT (DPM Somkid and Parliament Speaker Bhokin among others). Royal intervention (the so-called invocation of constitution Article 7) to name someone from outside TRT remains a possibility, but seems unlikely. TRT may even try to form a government of national unity, drawing on other parties for ministers. However, there is still no solution in sight to give legitimacy to this Parliament made up almost exclusively of TRT members. It is widely presumed that, whatever parliament and government result will be in caretaker mode, until new elections can be held.

18. (C) Expectations for the new government will be high -- perhaps unrealistically so. It must figure out a way to heal some of the major cleavages in the Thai polity by bringing together credible figures who can hopefully come up with

recommended reforms (and quite possibly constitutional amendments) to prevent abuses by future Thaksins -- or maybe even Thaksin himself. And, the new administration must focus on governance, and restore some measure of normalcy to the country, to reassure business interests, foreign tourists, visitors and others. Participation by opposition leaders -- the PAD, Democrats, Chart Thai, etc. -- will be key. So will the role of the media, which feels emboldened. Against this complicated backdrop looms the figure of Thaksin. He is down, but not yet out. The Thai nation breathed a collective sigh of relief last night when the PM announced he will not seek the next term. But Thailand's political problems are far from over.

BOYCE